

Module 1:

**OVERVIEW OF THE DIMENSION OF CULTURE
IN INTERNATIONAL NEGOTIATIONS**



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United Nations Institute for Training and Research

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MODULE OBJECTIVES

After reading this module, the participant will:

- Explain the meaning and context of culture in a society.
- Describe the evolution of culture in various world regions.
- Discuss how and why belief affects culture.
- Identify the characteristics of a culturally-sensitive negotiator.



MODULE CORE TEXT

What is Culture?

This section of the course attempts to provide leads to the definition of culture and is in no way exhaustive.



A neat one-sentence definition of culture can only mislead. More helpful will be an ostensive definition intended to draw attention to the main features of the concept. Amid the myriad formulations put forward in literature pertaining to culture, three key aspects of culture emerge: *that it is a quality not of individuals, but of the society of which individuals are a part; that it is acquired, through acculturation or socialization by individuals from their respective societies; and that each culture is a unique complex of attributes subsuming every area of social life.*

From the first feature, we may conclude that culture is not to be confused with innate personality, let alone with national character. The second feature of culture places emphasis on the methods by which a society implants its way of life in its members. Partly these mechanisms are formal and conscious - education both religious and secular, creation of role models, propaganda and advertising, military service or its absence, and systems of reward and punishment. But, of course, the informal modes of influence that are present in the family home, playground, street corner, and workplace may be no less important. From the third feature of culture it follows that the concept is not restricted to exotic artifacts or rituals but equally subsumes material, intellectual and organizational dimensions. No less important are a culture's intangibles: the etiquette of personal encounter, the manner in which relationships are conducted and the assumptions inculcated about how life's activities should or should not be conducted.

We can thus say that culture generally refers to patterns of human activity and the symbolic structures that give such activities significance and importance. Different definitions of "culture" reflect different theoretical bases for understanding, or criteria for evaluating, human activity.

Culture is manifested in music, literature, painting and sculpture, theater and film and other things. Although some people identify culture in terms of consumption and consumer goods (as in high culture, low culture, folk culture, or popular culture), anthropologists understand "culture" to refer not only to consumption goods, but to the general processes which produce such goods and give them meaning, and to the social relationships and practices in which such objects and processes become embedded. For them, culture thus includes technology, art, science, as well as moral systems.

Anthropologists most commonly use the term "culture" to refer to the universal human capacity to classify, codify and communicate their experiences symbolically. This capacity has long been taken as a defining feature of the humans. However, primatologists have identified aspects of culture among humankind's closest relatives in the animal kingdom. As a rule, archaeologists focus on material culture (the material remains of human activity), whereas social anthropologists focus on social interactions, statuses and institutions, and cultural anthropologists focus on norms and values. This division of labor reflects the different conditions under which different anthropologists have worked, and the practical need to focus research. It does not necessarily reflect a theory of culture that conceptually distinguishes between the material, the social, and the normative, nor does it reflect three competing theories of culture.

Some (attempted) definitions of Culture

- Culture refers to the cumulative deposit of knowledge, experience, beliefs, values, attitudes, meanings, hierarchies, religion, notions of time, roles, spatial relations, concepts of the universe, and material objects and possessions acquired by a group of people in the course of generations through individual and group striving.
- Culture is the systems of knowledge shared by a relatively large group of people.
- Culture is communication, communication is culture.
- Culture in its broadest sense is cultivated behavior; that is the totality of a person's learned, accumulated experience which is socially transmitted, or more briefly, behavior through social learning.
- A culture is a way of life of a group of people - the behaviors, beliefs, values, and symbols that they accept, generally without thinking



about them, and that are passed along by communication and imitation from one generation to the next.

- Culture is symbolic communication. Some of its symbols include a group's skills, knowledge, attitudes, values, and motives. The meanings of the symbols are learned and deliberately perpetuated in a society through its institutions.
- Culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievement of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action, on the other hand, as conditioning influences upon further action.
- Culture is the sum total of the learned behavior of a group of people that are generally considered to be the tradition of that people and are transmitted from generation to generation.
- Culture is a collective programming of the mind that distinguishes the members of one group or category of people from another.

Culture (and its distinctive features)

Culture is a shared, learned, symbolic system of values, beliefs and attitudes that shapes and influences perception and behavior -- an abstract "mental blueprint" or "mental code."



Some distinctive features of culture include:

- (1) It is **Learned**. Process of learning one's culture is called enculturation.
- (2) It is **Shared** by the members of a society. No "culture of one."
- (3) It is **Patterned**. People in a society live and think in ways that form definite patterns.
- (4) It is **Mutually constructed** through a constant process of social interaction.
- (5) It is **Symbolic**. Culture, language and thought are based on symbols and symbolic meanings.
- (6) It is **Arbitrary**. Not based on "natural laws" external to humans, but created by humans according to the "whims" of the society. Example: standards of beauty.
- (7) It is: **Internalized. Habitual. Taken-for-granted. Perceived as "natural."**

Towards a Definition of Culture

In 1871 E.B. Taylor defined culture as "that complex whole which includes knowledge, belief, art, morals, law, customs, and many other capabilities and habits acquired by...[members] of society."



"Culture means the total body of tradition borne by a society and transmitted from generation to generation. It thus refers to the norms, values, standards by which people act, and it includes the ways distinctive in each society of ordering the world and rendering it intelligible. Culture is...a set of mechanisms for survival, but it provides us also with a definition of reality. It is the matrix into which we are born, it is the anvil upon which our persons and destinies are forged."

Cultural differences and the importance of language therein

A starting point for discerning cultural differences is language: the dominance of the dominance of rank in Korean society, for example, can immediately be inferred from the conjugation of the verb in Korean; the extensive vocabulary in English associated with fair play is a telling clue to American/English expectations of bargaining behaviour. Grasping the central role of language in inter-cultural communication is essential in order to begin understanding cultural differences and dissonances as well as the connection between culture and negotiation. Without overlooking nonverbal forms of communication and solidarity, language is pivotal to cultural identity, since it acts as the communal archive and conveyor belt by which shared meanings are stored and transmitted within human groups down the years from one generation to the next. Language is a dynamic medium of social evolution as well as of record. It is therefore a powerful centripetal force binding together the sub-cultural atoms that form the molecule of a national culture. Without it each subgroup would fly off into a different direction. We may thus safely say that language is the link between culturally embedded meaning and practice.

Cultures by region

Many regional cultures have been influenced by contact with others, such as by trade, colonization, migration, mass media, religion, travel, etc.

Africa

Though of many varied origins, African culture, especially Sub-Saharan African culture has been shaped by European colonialism, and, especially in North Africa, by Arab and Islamic culture.



Americas

The culture of the Americas has been strongly influenced by peoples that inhabited the continents before Europeans arrived; people from Africa (Brazil and the United States have a large number of descendants from African migrants), and the immigration of Europeans, especially Spanish, English, French, Portuguese, German, Irish, Italian and Dutch.

Asia

Despite the great cultural diversity of Asian nations, there are, nevertheless, several transnational cultural influences. Though Korea, Japan, and Vietnam are not Chinese-speaking countries, their languages have been influenced by Chinese and Chinese writing. Thus, in East Asia, Chinese writing is generally agreed to exert a unifying influence. Religions, especially Buddhism and Taoism have had an impact on the cultural traditions of East Asian countries (see section on Eastern religion and philosophy, below). There is also a shared social and moral philosophy that derives from Confucianism.

Hinduism and Islam have for hundreds of years exerted cultural influence on various peoples of South Asia. Similarly, Buddhism is pervasive in Southeast Asia.

Pacific

Most of the countries of the Pacific Ocean continue to be dominated by their indigenous cultures, although these have generally been affected by contact with European culture, in particular that of the Philippines. In any case, most of Polynesia is now strongly Christian. Other countries, such as Australia and New Zealand have been dominated by white settlers and their descendants, whose culture now predominates. However Indigenous Australian and Māori (New Zealand) cultures are still present.

Europe

European culture also has a broad influence beyond the continent of Europe due to the legacy of colonialism. In this broader sense it is sometimes referred to as Western culture. This is most easily seen in the spread of the English language and to a lesser extent, a few other European languages. Dominant influences include ancient Greece, ancient Rome, and Christianity, although religion has declined in Europe.

Middle East and North Africa

The Middle East generally has three dominant and clear cultures, Arabic, Persian and Turkish, which have influenced each other with varying degrees during different times. The region is predominantly Muslim although significant minorities of Christians and smaller minorities of other religions exist.

Arabic culture has deeply influenced the Persian and Turkish cultures through Islam; influencing their languages, writing systems, art, architecture and literature as well as in other areas. The proximity of Iran has influenced the regions closer to it such as Iraq and Turkey, traces of language can be found in the Iraqi and Kuwaiti dialects of Arabic as well as the Turkish language. The 500 years of Ottoman rule over most of the Middle East has had a heavy influence over the Arabic culture, this may spread as far as Algeria but can be found to a heavier degree in Egypt, Iraq and the Levant.

Belief systems



Religion and other belief systems are often integral to a culture. Religion, from the Latin *religare*, meaning "to bind fast", is a feature of cultures throughout human history. The Dictionary of Philosophy and Religion defines religion in the following way:

... an institution with a recognized body of communicants who gather together regularly for worship, and accept a set of doctrines offering some means of relating the individual to what is taken to be the ultimate nature of reality.

Religion often codifies behavior, such as with the 10 Commandments of Christianity or the five precepts of Buddhism. Sometimes it is involved with government, as in a theocracy. It also influences arts.

Eurocentric custom to some extent divides humanity into Western and non-Western cultures, although this has some flaws.

Western culture spread from Europe most strongly to Australia, Canada, and the United States. It is influenced by ancient Greece, ancient Rome and Christianity.

Western culture tends to be more individualistic than non-Western cultures. It also sees man, God, and nature or the universe more separately than non-Western cultures. It is marked by economic wealth, literacy, and technological advancement, although these traits are not exclusive to it.

THEORY OF CULTURAL DETERMINISM

- The position that the ideas, meanings, beliefs and values people learn as members of society determines human nature. People are what they learn. Optimistic version of cultural determinism place no limits on the abilities of human beings to do or to be whatever they want. Some anthropologists suggest that there is no universal "right way" of being human. "Right way" is almost always "our way"; that "our way" in one society almost never corresponds to "our way" in any other society. Proper attitude of an informed human being could only be that of tolerance.
- The optimistic version of this theory postulates that human nature being infinitely malleable, human being can choose the ways of life they prefer.
- The pessimistic version maintains that people are what they are conditioned to be; this is something over which they have no control. Human beings are passive creatures and do whatever their culture tells them to do. This explanation leads to behaviorism that locates the causes of human behavior in a realm that is totally beyond human control.



CULTURAL RELATIVISM

- Different cultural groups think, feel, and act differently. There is no scientific standards for considering one group as intrinsically superior or inferior to another. Studying differences in culture among groups and societies presupposes a position of cultural relativism. It does not imply normalcy for oneself, nor for one's society. It, however, calls for judgment when dealing with groups or societies different from one's own. Information about the nature of cultural differences between societies, their roots, and their consequences should precede judgment and action. Negotiation is more likely to succeed when the parties concerned understand the reasons for the differences in viewpoints.

CULTURAL ETHNOCENTRISM

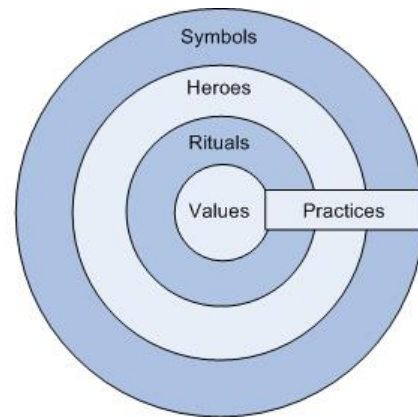
- Ethnocentrism is the belief that one's own culture is superior to that of other cultures. It is a form of reductionism that reduces the "other way" of life to a distorted version of one's own. This is particularly important in case of global dealings when a company or an individual is imbued with the idea that methods, materials, or ideas that worked in the home country will also work abroad. Environmental differences are, therefore, ignored. Ethnocentrism, in relation to global dealings, can be categorized as follows:
 - Important factors in business are overlooked because of the obsession with certain cause-effect relationships in one's own country. It is always a good idea to refer to checklists of human variables in order to be assured that all major factors have been at least considered while working abroad.
 - Even though one may recognize the environmental differences and problems associated with change, but may focus only on achieving objectives related to the home-country. This may result in the loss of effectiveness of a company or an individual in terms of international competitiveness. The objectives set for global operations should also be global.
 - The differences are recognized, but it is assumed that associated changes are so basic that they can be achieved effortlessly. It is always a good idea to perform a cost-benefit analysis of the changes proposed. Sometimes a change may upset important values and thereby may face resistance from being implemented. The cost of some changes may exceed the benefits derived from the implementation of such changes.

Manifestations of Culture

Cultural differences manifest themselves in different ways and differing levels of depth. Symbols represent the most superficial and values the deepest manifestations of culture, with heroes and rituals in between.

- **Symbols** are words, gestures, pictures, or objects that carry a particular meaning which is only recognized by those who share a particular culture. New symbols easily develop, old ones disappear. Symbols from one particular group are regularly copied by others. This is why symbols represent the outermost layer of a culture.

- **Heroes** are persons, past or present, real or fictitious, who possess characteristics that are highly prized in a culture. They also serve as models for behavior.
- **Rituals** are collective activities, sometimes superfluous in reaching desired objectives, but are considered as socially essential. They are therefore carried out most of the times for their own sake (ways of greetings, paying respect to others, religious and social ceremonies, etc.).
- The core of a culture is formed by **values**. They are broad tendencies for preferences of certain state of affairs to others (good-evil, right-wrong, natural-unnatural). Many values remain unconscious to those who hold them. Therefore they often cannot be discussed, nor they can be directly observed by others. Values can only be inferred from the way people act under different circumstances.
- Symbols, heroes, and rituals are the tangible or visual aspects of the **practices** of a culture. The true cultural meaning of the practices is intangible; this is revealed only when the practices are interpreted by the insiders.



Manifestation of Culture at Different Levels of Depth

Layers of Culture

People even within the same culture carry several layers of mental programming within themselves. Different layers of culture exist at the following levels:

- The national level: Associated with the nation as a whole.
- The regional level: Associated with ethnic, linguistic, or religious differences that exist within a nation.
- The gender level: Associated with gender differences (female vs. male)
- The generation level: Associated with the differences between grandparents and parents, parents and children.
- The social class level: Associated with educational opportunities and differences in occupation.
- The corporate level: Associated with the particular culture of an organization. Applicable to those who are employed.

Measuring Cultural Differences



A variable can be operationalized either by single- or composite-measure techniques. A single-measure technique means the use of one indicator to measure the domain of a concept; the composite-measure technique means the use of several indicators to construct an index for the concept after the domain of the concept has been empirically sampled. Hofstede (1997) has devised a composite-measure technique to measure cultural differences among different societies:

- Power distance index: The index measures the degree of inequality that exists in a society.
- Uncertainty avoidance index: The index measures the extent to which a society feels threatened by uncertain or ambiguous situations.
- Individualism index: The index measure the extent to which a society is individualistic. Individualism refers to a loosely knit social framework in a society in which people are supposed to take care of themselves and their immediate families only. The other end of the spectrum would be collectivism that occurs when there is a tight social framework in which people distinguish between in-groups and out-groups; they expect their in-groups (relatives, clans, organizations) to look after them in exchange for absolute loyalty.
- Masculinity index (Achievement vs. Relationship): The index measures the extent to which the dominant values are assertiveness, money and things (achievement), not caring for others or for quality of life. The other end of the spectrum would be femininity (relationship).

Reconciliation of Cultural Differences

Cultural awareness:

- Before venturing on a global assignment, it is probably necessary to identify the cultural differences that may exist between one's home country and the country of business operation. Where the differences exist, one must decide whether and to what extent the home-country practices may be adapted to the foreign environment. Most of the times the differences are not very apparent or tangible. Certain aspects of a culture may be learned consciously (e.g. methods of greeting people), some other differences are learned subconsciously (e.g. methods of problem solving). The building of cultural awareness may not be an easy task, but once accomplished, it definitely helps a job done efficiently in a foreign environment.
- Discussions and reading about other cultures definitely helps build cultural awareness, but opinions presented must be carefully measured. Sometimes they may represent unwarranted

stereotypes, an assessment of only a subgroup of a particular group of people, or a situation that has since undergone drastic changes. It is always a good idea to get varied viewpoints about the same culture.

Clustering cultures:

- Some countries may share many attributes that help mold their cultures (the modifiers may be language, religion, geographical location, etc.). Based on this data obtained from past cross-cultural studies, countries may be grouped by similarities in values and attitudes. Fewer differences may be expected when moving within a cluster than when moving from one cluster to another.

Determining the extent of global involvement:

- All enterprises operating globally need not have the same degree of cultural awareness. Figure 2 illustrates extent to which a company needs to understand global cultures at different levels of involvement. The further a company moves out from the sole role of doing domestic business, the more it needs to understand cultural differences. Moving outward on more than one axis simultaneously makes the need for building cultural awareness even more essential.



Culture Shock Challenges Firms Looking Abroad

The U.S. construction industry has always been adept at winning work overseas, but the lure of reconstruction contracts in places like Afghanistan and Iraq could draw some firms in over their heads. Large international firms have many resources to deal with the enormous challenges of working in the global marketplace. But the massive reconstruction of countries devastated by war could trip up the best of them.



Political and physical risks are the most treacherous and must be reckoned with. Language and cultural differences can't be ignored either. Addressing them sensibly can unlock many opportunities for success.

The U.S. government's conference on rebuilding Afghanistan, held in Chicago last week, went a long way to outline opportunities there. These outreach programs are a good start because many firms need an education on how to work abroad. The first lesson is to drop ethnocentric views that the world should accommodate our method of contracting rather than the other way around.

In a separate meeting, also held in Chicago last week, ENR brought together construction executives at its annual leadership conference. U.S. firms interested in China's Olympic building plans and other work, particularly those willing to listen patiently through translation, heard rich detail from Chinese representatives.

Patience, attentiveness and sensitivity are not common construction traits, but they can help in cultures different from our own.

Language and cultural differences can be treacherous to negotiate.

Do We See Eye-to-Eye? Implications of Cultural Differences for Cross-Cultural Management Research and Practice

Although observation is a common research technique, little attention has been given to the effects of culture on observer judgment making. These researches argue that consideration of cultural differences is critical when applying observation techniques in cross-cultural research as well as in the applied contexts of performance appraisal and international management. A laboratory study was conducted to examine the potential for discrepancies in observer judgment making among Asian American and Caucasian American subjects. The results of the study affirm the importance of cultural influences in research and management.

Culture and Major Steps in Negotiation: Opening Offer and Counter-Offer



Negotiation is a process through which two or more people with different needs and viewpoints try to reach an agreement (Thompson, 1998). In distributive negotiations, when the key issue is typically the price paid for an item, one party's gain inherently represents a loss by the other side (Walton and McKersie, 1965). Making opening offers and counter-offers are formal steps during

the negotiation process.

Evidence from US studies shows that, while there is some risk associated with making the opening offer (for example, if a seller makes the opening offer, it may turn out that the buyer would be willing to pay more than the offer), it is better to start the negotiation with an aggressive offer (Siegel and Fouraker, 1960). This is because the other party's counter-offer is usually affected by the size of the opening offer. In fact, the opening offer and counter-offer are significantly correlated: higher opening offers generate higher counter-offers (Galinski and Mussweiler, 2001; Neale and Bazerman, 1999). In light of the importance of the opening and counter-offers in negotiations, we now explore some basic characteristics of Chinese negotiators, how they differ from the characteristics of American negotiators, and then return to how these differences may affect opening offers and counter-offers.

The Chinese culture differs from the US culture in the well-documented characteristic of collectivism/individualism (Hofstede, 1980). The Chinese culture is highly collectivistic, while the US culture is highly individualistic (Chow, Deng and Ho, 2000; Earley, 1989; Erez and Earley, 1987; Hofstede, 1980; Mortenson, 2002; Triandis et al, 2001; Weber, Hsee and Sokolowska, 1998). Collectivism is characterized by tight social networks in which people strongly distinguish between in-groups, such as relatives and clans, and other groups. One manifestation of collectivism is that Chinese tend to be concerned about face (public image and reputation), harmony, and *Guanxi* (embedded social relationships, a proxy of *Ren Qing*) (Graham and Lam, 2003). Furthermore, members of collectivist cultures place a great deal of importance on fitting in harmoniously with others and, therefore, they tend to value common goals and objectives over and above individual goals that focus exclusively on self-interest. Conforming to the collective's norms will inherently enhance one's face, promote group harmony and maintain *Guanxi*. Thus, we expect that negotiators in collectivist cultures are more socially engaged with the other party in a negotiation at the outset than are negotiators from the more individualistic cultures. On a related topic, Jehn and Weldon (1997) found that when managing conflicts, American managers focus on the task, while Chinese managers focus on the social and relational aspects of the conflict.

Previous research has shown that opening offers exert a pull on responders' judgements during a negotiation (Galinski and Mussweiler, 2001; Neale and Bazerman, 1999). Thus, we expect that the responder's first judgement, which will influence the formulation of the counter-offer, to be affected by the opening offer.

Indeed, Kristensen and Gaerling (1997) found that the initial offer shaped the adoption of a reference point. Galinsky et al. (2002) shows that the probability of making a first offer is related to the negotiator's sense of confidence and control at the bargaining table. The distance between the opening offer and counter-offer reflects the psychological phenomenon of anchoring. With a cultural norm promoting individualized decision-making and freedom of thought, Americans are Culturally Sensitive Measures in Distributive Negotiations likely to disengage from the other side and tend to treat an aggressive offer as strategic posturing and are, therefore, less likely than Chinese negotiators to be influenced by an aggressive initial offer.

Given the higher focus on others in the Chinese culture, Chinese negotiators are more likely than American negotiators to treat the opening offer as a starting point for a long-term relationship. They are more committed to working with the opening offer, and are more likely to consider the opening offer while formulating their counter-offers than are their American counterparts. Thus, we expect the opening offer to have a stronger effect on counter-offers for Chinese than for American negotiators. Therefore, we hypothesize:

Hypothesis 1a: Chinese negotiators are more likely than American negotiators to be influenced by the opening offer. In other words, the difference between the opening offer and the counteroffer will be smaller for Chinese than for American negotiators.

If Chinese are more susceptible to the influence of the opening offer, then it follows that the opening offer will be a stronger predictor of economic gain for Chinese than it is for the American negotiators.

Hypothesis 1b: The opening offer will be a stronger predictor of economic gain for Chinesenegotiators than for American negotiators.

Culture and the Personality of Extraversion and Agreeableness

Previous research has found that, among Americans, extraversion and agreeableness affected how responders are influenced by the opening offer (Barry and Friedman, 1998). It is argued that these two personality dimensions affect negotiations because they affect how people relate to others in their social environment (Barry and Friedman, 1998). American negotiators with high levels of these personality dimensions are socially engaged with and concerned about the other negotiator, putting them at greater risk of being influenced by the opening offer and thus more at risk of losing in distributive bargaining situations. In the Chinese culture, however, these personality dimensions may play less of a role, as relational concerns are salient for all members of Chinese culture. The inherent propensity of Chinese to value social engagement may preclude them from detecting a measurable effect of the personality dimensions of extraversion and agreeableness on counter-offers in negotiations. Once high levels of social engagement have been achieved, along with the resulting impact on the counter-offer, any additional impact on social engagement as a result of individual personalities should be inconsequential.



This is not to say there are no individual differences in extraversion and agreeableness among Chinese people. Chinese who have high levels of extraversion are probably more talkative and outgoing than those who have low levels of extraversion.

However, within the sphere of the Chinese collectivist culture, those personality dimensions are not likely to produce significant differences in the already culturally dictated high level of social engagement. Chinese with high levels of agreeableness are probably even more concerned about minimizing tensions with others than are those with low levels of agreeableness. Within the Chinese context, however, these characteristics are not likely to produce significant differences over and above the already strong emphasis on social engagement and relationship orientation. We therefore posit that

Hypothesis 2: American negotiators who have high levels of extraversion and agreeableness are more likely to make counter-offers that are closer to the opening offer than are those who have low levels of extraversion and agreeableness. The same dynamic will not occur among Chinese negotiators, i.e. the counter-offer made by Chinese negotiators who have high levels of extraversion and agreeableness will not be significantly closer to the opening offer than the counter-offer made by those who have low levels of extraversion and agreeableness. In short, culture moderates the effects of agreeableness and extraversion.

What is negotiation? What do people actually do during a negotiation? Negotiation, as an idea, is unique, and culturally specific

The Japanese tend to rely on generating solutions to problems from the information available, while North Americans use the idea of exchange (proposal-counterproposal). Also, the Japanese emphasize the relationships involved as well as specified goals during negotiations. They really want to know who they are dealing with, who sent them, and what the future of this relationship might hold.

The criteria which determines how negotiators are selected differs, and includes such variables as: professional status, hierarchical status, negotiating ability, knowledge of opponents, and experience. Age can be an important factor in Asian communities.

Excellent Cross-Cultural Deal Makers



What does it take to negotiate high-net-value integrative and distributive deals across cultures? Studies have suggested three negotiator types or models that are culturally linked. These negotiator types are: *pragmatic individualists*; *cooperative pragmatists*; and *indirect strategists*.

The *pragmatic individualist* sets a high target, is motivated to search for information, is willing to make trade-offs, and avoids getting distracted about who is more powerful. The strategy of pragmatic individualism potentially has a downside. Negotiators from other cultures may feel rather overwhelmed or steamrollered when coming out of a negotiation with this category of deal makers. The longer-term issue is whether the outcome is worth the discomfort some negotiators clearly feel with the process. Negotiators following this strategy may be limiting their future options by using the negotiation to reap short-term gains and failing to build long-term relationships.

The *cooperative pragmatist* is concerned about his own goals and the other party's goals, builds trust by asking questions and answering them, and deals with power indirectly. The potential downside of this strategy is that a cooperative pragmatist might be taken advantage of by a pragmatic individualist. However, trust, the core of the cooperative pragmatist's strategy, is hard won and easily lost. So long as the cooperative pragmatist monitors the level of trust in the relationship, he should not be giving information without receiving it in return. He will not be taken advantage of, but he may not be able to lead the negotiation to an integrative agreement if he cannot use the direct information-sharing strategy with which he is most comfortable.

The *indirect strategist* may rely on uncertainty about power to motivate an indirect search for information. This model may be quite successful within a particular culture but may be problematic across cultures. Negotiators who maintain the indirect strategist model may have difficulty negotiating across cultures. Indirect information sharing may be too subtle for negotiators from cultures where direct strategies are normative. Direct influence may lead negotiators from cultures where such behaviour at the negotiating table is not normative into a conflict spiral and away from integrative agreements.

Given that these rather different models of negotiation are normative in different cultures, effective cross-cultural negotiators need to be able either to adapt to another model or to force their model on negotiators from other cultures. What is common to all three models is clarity of purpose, a thirst for information, facility with a strategy to seek it, and an understanding of how to manage influence attempts. What is different is how negotiators using each of these different models set goals, seek information, and use influence.

Although forcing your preferred model of negotiations on others may be an effective strategy in the short-term, negotiators who are most effective crossing all sorts of cultural boundaries are likely to be the ones who are fluent in all aspects of negotiation strategy. These excellent cross-cultural negotiators understand their own goals and respect that the other part has goals that it must also meet. They are intent on searching for information about differences and compatibilities to use in constructing integrative agreements. They are equally adept at building trust through direct questioning and extracting information from proposals. They understand that power influences the distributive outcome of the negotiation.

Characteristics of a Culturally-sensitive Negotiator

A culturally-sensitive negotiator possesses one or several of the following characteristics:



1. Prepares for a negotiation by studying his/her counterparts' culture and history and not just the issue at hand. Best of all, s/he learns the language and immerses himself/herself in the historical relationship between the two nations, in case it is an international political negotiation.
2. Tries to establish a warm, personal relationship with his/her interlocutors. If possible, gets to know them even before negotiations get under way. Cultivates contacts and acquaintances and considers this time well spent.
3. Does not assume that what s/he means by a message - be it verbal or non-verbal - is what the representatives of the other side will understand by it. They will interpret it in the light of their cultural and linguistic background, not yours.
4. Remains alert to indirect formulations and non-verbal gestures. For example, traditional societies put a lot of emphasis on them. As a negotiator you may have to read between the lines to understand what your partners are hinting at. A culturally-sensitive negotiator thus does not assume that the other side will come right out with it. At the same time s/he remains very careful in his/her own body language and choice of words as your partners may read more into them than you intend. In addition, a culturally-sensitive negotiator does not express criticism in public nor does s/he lose temper. Anything that leads to the loss of face is likely to be counterproductive.
5. Does not overestimate the power of advocacy. Your interlocutors are unlikely to shift their positions simply in response to good arguments. Pressure may bring short-term results, but risks damaging the relationship. Facts and circumstances speak louder than words and are easier to comply with.
6. Adapts his/her strategy to opponents' cultural needs. On matters of inviolable principle, attempts to accommodate their instinct for prior agreement with his/her preference for progress on practical matters. Leaves himself/herself plenty of leeway.
7. Understands that flexibility is not necessarily a virtue against intransigent opponents. If they are concerned to discover your real bottom line, repeated concessions will confuse rather than clarify the issue. Nor is there merit in innovation for its own sake. The tactful

negotiator thus avoids the temptation to compromise with himself/herself.

8. Is patient. Haste will almost certainly mean unnecessary concessions. The culturally-sensitive and tactful negotiator thus resists the temptation to labour under artificial time constraints; they will work to your disadvantage. Allows opponents to decide in their own good time as their bureaucratic requirements cannot be short-circuited.
9. Is aware of the emphasis placed by his/her counterparts on matters of status and face. Outward forms and appearances may be as important as substance. For face-conscious negotiators, an agreement must be presentable as an honourable outcome. On the other hand, symbolic gains may compensate them for substantive losses.
10. Is not surprised if negotiations continue beyond the apparent conclusion of an agreement. Understands that sometimes implementation is not automatic and often requires continuing discussion. To assist compliance, it may help to build a system of graduated, performance-based incentives into the original contract.

e-Learning Course on Cross-Cultural Negotiation

